inter-alia include putting ceiling on operations in call money market and bank finance against shares and debentures, increase in percentage of SLR investments in Government Securities, restrictions on interest rates on deposits offered by UCBs and investment funds as deposit with other UCBs, etc.

Centre for Corporate Excellence in Karnataka

2690. DR. VIJAY MALLYA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the State Government of Karnataka has approached Central Government for setting up a "Centre for Corporate Excellence" in Karnataka;

(b) if so, what is the present stage of consideration of this proposal; and

(c) by when a final decision is expected to be taken in this regard and communicated to the State Government?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) and (c) This will be decided after a final policy view is taken in the matter.

Seizure of defaulters' assets

2691. SHRI RAMA MUNI REDDY SIRIGIREDDY:

SHRI K. RAMA MOHANA RAO:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that recently the Supreme Court has given its verdict saying that the lenders can now seize the assets of the defaulters but cannot sell them;

(b) if so, whether it would affect the recovery of NPA;

(c) whether the verdict dilute the interim bargaining power of banks; and

(d) if so, the steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBHA ADSUL): (a) to (c) In a writ petition filed by M/s Amulet International Pvt. Ltd. challenging the constitutional validity of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (Second) Ordinance, 2002, the Supreme Court has passed an interim order that it would be open to the secured creditors to proceed against the borrowers under sub clause (2) & (4) of Clause 13 of the said Oridinance. However, they shall not part with the assets of the borrower by way of lease, assignment or sale. However, secured creditors still have the option to exercise their rights through other provisions of the Ordinance.

(d) Matter is subjudice. Necessary legal steps are being taken.

Broker-Officer nexus

2692. SHRI K. RAHMAN KHAN:
SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that there are many brokers operating in Delhi that promise customers to get personal loans and have a nexus with official directly involved with the Pradhan Mantri Rozgar Yojana; and

(b) if so, the action taken by Government to punish the guilty who are cheating the innocent public by demanding broker fees in getting their cases processed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) As per extant guidelines the selection of applicants is carried out by the Task Force Committee consisting of, amongst others, representatives of Banks and District Industries Centre. There is no provision for canvassing of applicants through the services of brokers. Government of India, Reserve Bank of India and State Bank of India the Convener of State Level Bankers Committee for the NCT of Delhi have not come across any broker involvement promising loans under PMRY